COMMONWEALTH OF VIRGINIA Department of Environmental Quality Tidewater Regional Office

STATEMENT OF LEGAL AND FACTUAL BASIS

Virginia Electric and Power Company
Dominion Generation – Yorktown Power Station
Permit No.TRO-60137

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, Virginia Electric and Power Company has applied for a minor permit modification to the Title V Operating Permit for its Dominion Generation – Yorktown Power Station facility. The Department has reviewed the application and has prepared an amended Title V Operating Permit.

Engineer/Permit Contact:	Date: <u>May 15, 2007</u>
Air Permit Manager:	Date: <u>May 15, 2007</u>
Regional Director:	Date: <u>May 15, 2007</u>

Dominion Generation – Yorktown Power Station Acid Rain Operating Permit Reg. # TRO-60137 Statement of Basis May 15, 2007 Page 2

FACILITY INFORMATION

Permittee
Virginia Electric and Power Company
5000 Dominion Boulevard
Glen Allen, VA 23060

Facility
Dominion Generation – Yorktown Power Station
1600 Waterview Road
Yorktown, VA

County-Plant Identification Number: 51- 199-00001

Requested Change

The facility has requested that the requirement to include the distillate oil sulfur content on the fuel certifications (condition III.B.29) be removed. Since there is no sulfur content limit for distillate oil in the permit and the fuel certification requires a statement that the fuel "meets the specifications for fuel oil numbers 1 or 2 under ASTM" and as such can contain no more than 0.5% sulfur by weight, including the sulfur content on the fuel certification is unnecessary. This action is being processed as a minor modification to the TV permit

CHANGES TO TITLE V OPERATING PERMIT

Section III.B – Condition 29.b requiring the sulfur content of the distillate oil to be displayed on the fuel certification has been removed. This condition has been updated to the current boilerplate language which meant the addition of the date and volume of the shipment and the name of the supplier for the distillate oil.

PUBLIC PARTICIPATION

The public participation requirements of 9 VAC 5-80-270 do not apply to minor modifications. Therefore, a public notice is not required.

Under 9 VAC 5-80-210, affected states (NC) shall be notified.

COMMONWEALTH OF VIRGINIA Department of Environmental Quality Tidewater Regional Office

STATEMENT OF LEGAL AND FACTUAL BASIS

International Paper - Franklin Mill
Franklin, Virginia
Permit No. TRO-60214
Effective Date: April 1, 2006
Significant Modification Date: March 31, 2006

Expiration Date: November 25, 2007

As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, International Paper has applied for a significant permit modification to the Title V Operating Permit for its Kraft Pulp and Paper Mill in Franklin, Virginia. The Department has reviewed the application and has prepared a modified Title V Operating Permit.

Engineer/Permit Contact: _	Date:	
Air Permit Manager: _	Date:	
Deputy Regional Director: _	Date: _	

March 31, 2006

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I. REQUESTED MODIFICATION

This is a significant modification to the Title V permit to incorporate the site-specific requirements for International Paper to comply with Phase 2 of 40 CFR Part 63, Subpart S (referred to as MACT 1, Phase 2). This modification also incorporates the newly developed conditions from the Site-Wide Emission Cap Federally Enforceable State Operating Permit.

In November of 2003, DEQ sent EPA a letter requesting approval to the Equivalency By Permit program for International Paper.

On Thursday April 15, 2004, EPA published in the Federal Register an approval of an EBP (Equivalency By Permit) program for the Virginia DEQ (See Appendix A). This approval allows the Virginia DEQ to establish and enforce alternative state requirements for International Paper Franklin Mill in lieu of those in the Pulp and Paper MACT (40 CFR Part 63, Subpart S). The approval requires that the alternative requirements must be at least as stringent as the MACT.

The International Paper Franklin Mill has proposed to comply with 40 CFR 63.443(a)(1) by controlling the HAP emissions from alternate equipment systems. The side-by-side comparison of the MACT requirements and how International Paper will comply with the MACT is listed in Appendix B.

This facility has proposed to comply with 40 CFR 63.443(a)(1) by controlling the HAP emissions from the following equipment systems:

- A. Each LVHC system
- B. Each knotter or screen system with total HAP mass emission rates greater than or equal to the rates specified in §63.443(a)(1)(ii)(A) or (a)(1)(ii)(B) or the combined rate specified in §63.443(a)(1)(ii)(C)
- C. D-Wash Line Washer and Accepts Tank
- D. B-Decker and Filtrate Tank
- E. No. 1 High Density Storage Tank
- F. Nos. 1-4 BLOX Tank Vents
- G. E-Bleach Line O₂–1 Washers and Filtrate Tank
- H. E-Bleach Line O₂–2 Washers and Filtrate Tank
- I. E-Bleach Line East and West Twin Roll Press
- J. E-Bleach Line O₂ System Blow Tank, Blend Chest, and Pressate Level Tank

Note:

a. emissions from the mill's knotter and screen systems are not required to be collected and controlled. These systems have been found to have HAP concentrations below the thresholds specified in §63.443(a)(1)(ii).

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- b. emissions from the E-decker are not required to be controlled since the methanol content of the shower water used on this system was found to be less than the threshold specified in §63.443(a)(1)(iv)(B).
- c. emissions from the following systems (as defined in Appendix A) will not be collected and controlled under International Paper's alternative 40 CFR 63.443 compliance approach:
 - (1) A & B Washer systems
 - (2) C Washer system
 - (3) *D-Wash Line seal tank*
 - (4) Vertical Foam Tank
 - (5) Knotters and Screens
 - (6) E-Bleach Line oxygen delignification system O_2 reactor purge vent and pressate hold tank
 - (7) F-Bleach Line

The HAP emissions reduction will be at least equivalent to what the facility would have captured if they had complied with the MACT as written.

This permit action will also incorporate into the Title V conditions from previously issued minor NSR permit actions which were issued in 2004. The conditions from the following permits are incorporated:

Lime Kiln TRS emissions changes and permit dated 3/16/04 #6 Power boiler permit dated 4/8/03 and amended on 7/6/04 #4 Recovery boiler permit dated 5/11/04

During the Title V permit development stage, it was also decided that the conditions from the Site-Wide Emission Cap permit be incorporated to expedite the permitting process.

In November 2003 International Paper submitted an Environmental Council of States Innovations Project proposal to meet emissions standards under the MACT rule. The project included a number of additional environmentally beneficial projects known as the "plus" projects. The project was approved by EPA in a letter dated April 20, 2005.

International Paper believed the best way to permit and complete one of the proposed "plus" projects, a recovery boiler re-tubing, was with site-wide emissions caps, available under the Federal New Source Review Program. The Commonwealth has not yet adopted this program, so the facility requested a site-specific regulation to allow them to proceed.

DEQ has prepared a Federally Enforceable State Operating Permit with Site-Wide Emission Caps based on the site specific regulation codified as 9 VAC 5 Chapter 230. The State Air Pollution Control Board approved the regulation on June 22, 2005. The new regulation became effective on September 7, 2005. The terms and conditions of the regulation and the Site wide emissions Cap permit must be incorporated into International Paper's Title V permit before the facility can operate under the Site-Wide Emission Cap permit.

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The Site-Wide Emission Cap permit will replace all previously issued minor NSR permits and PSD permits. This permit will also allow the facility to operate under a cap for all the PSD pollutants in lieu of minor source, PSD and Non-Attainment permitting.

CAM applicability - The #6 Power boiler and the #4 Recovery boiler both have an ESP on them to control Particulate Matter. Due to the size of the units, CAM is not applicable to these units until renewal of the Title V permit, so no CAM conditions were added to this permit.

CHANGES TO TITLE V OPERATING PERMIT

The permit has been reformatted to add new sections that were created in the Federally Enforceable State Operating permit (FESOP) or Site-Wide Emission Cap permit (SWEC). Added the Equivalency-By-Permit terms and conditions that EPA approved in April 2005. For clarity, a table listing all the emission units and descriptions was added to the beginning of each section that deals with a discrete part of the plant.

- Section I The facility description of this section was changed to specify the way this facility plans to comply with the HVLC portion of 40 CFR 63 Subpart S.
- Section II This table, which lists all the significant emission units at the plant, has had the "Applicable Permit Date" column removed because there is only one permit that is now applicable to this entire facility the SWEC permit. A third note has been added for the table and the notation for the notes was changed for clarity. UPM02 was split adding UPM28. UPM18 emission unit description was changed to match description in other documentation from facility. CAU06 was updated to remove the reference to 2 Dregs Filter Mix Tanks, hoods and vacuum pumps where only one exists. CAU07 updated the description of the reserve tanks. Added the emission units CRE15 and CRE17 to the emission unit table. Added more parts to emission unit BLP04. PRM08 deleted because it is no longer considered a significant emission unit. Added PWR12, MIS08 and MIS09.
- Section III This is new section that is a list of definitions.
- Section IV This section of the permit has been added from the FESOP and is labeled as the "Site-Wide Requirement" section. This section lists the emission caps and the site-wide requirements that go along with the caps.
- Section V This is the old section III. Removed old SSM condition #2 because it does not apply to these units. Added conditions A.5-7, 13, 14, B.4, 5, 11, C.1.c, e, 3 and added the HVLC collection system requirements to conditions A.8, 9 B.4., B.8., C.1.g and h., and C.2 to comply with Subpart S. Updated the language of conditions A.10, 11, 16, B.7, C.1.b, d, f to reflect the changes in the minor NSR permits prior to the SWEC development.
- Section VI This old section IV. Deleted old condition A.2-4, C.1. because they are now part of the SWEC conditions in Section IV. Added A.3 for existing rule compliance. Condition 4 removed SSM exclusion, it is not needed for the type of control used on these units. Deleted conditions B.3 and B.4 and incorporated them into B.2. Added A.2, B.1, B.2, C.1.a, c, d, e, l, C.3 and D.3 to incorporate Subpart MM requirements. Updated the wording in C.1.g to reflect changes made in the minor permit written prior to the development of the SWEC permit.

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- Section VII This is old section V. Added emission unit CRE-17 as a unit applicable to this section of the permit. Deleted Conditions A.1, 16-21 because they are now part of the SWEC conditions in Section IV. Condition 9 removed SSM exclusion, it is not needed for the type of control used on these units. Added A.3, B.3, B.5-7, C.1.a, d-f, y, C.3 and D.6 as Subpart MM requirements. Deleted CRE-01 from condition A.10 and added condition 11 for CRE-01 from a minor source permit written prior to the development of the SWEC permit. Added new conditions or modified language in the following conditions to comply with Subpart S Conditions A.12-17, 18, 20, 23, 24, B.8, 15, C.1.h, k, l, m, n C.4 and D.4 and 5. Added or changed the language in conditions A.10, 11, 26, 27, B16-18, and C.1.p, q, r and D.7 from a minor source permit written prior to the development of the SWEC permit.
- Section VIII This old section VI. Added conditions or modified language in conditions A.4-14, B2, 4, 6, 7, C.1.b, C.3 and D.2 to comply with Subpart S. Deleted old conditions A.3-6, B.4, C.1.a and b because they are now part of the SWEC conditions in Section IV. Updated language in Condition B.2. to reflect changes made in a minor permit prior to the development of the SWEC permit.
- Section IX This is old section VII. Deleted conditions A.1-7, 10, B.2, and C.1.a-f because they are now part of the SWEC conditions in Section IV.
- Section X This is old section VIII. Deleted conditions A.9-10, 15-17, B.2, C.1.a-f, and D.1.because they are now part of the SWEC conditions in Section IV. Changed condition 11 because the tank is no longer storing #2 distillate oil so this condition was made more general to allow flexibility. Conditions A.13-18, 20-22, B.3, 5-8, C.1.a-f, C.2.a and D.1 have been updated to reflect changes made in a minor permit prior to the development of the SWEC permit.
- Section XV Updated the boilerplate language for the following conditions: C.3.c, D, F, G, and P. Section XVI Updated the boilerplate language for the following conditions: A.2, 4, B.1.b, and D.1.

II. PUBLIC PARTICIPATION

There are three steps to complete under the Equivalency by permit program.

First EPA must issue an up-front Approval of Virginia's EBP program for IP. This was complete on June 14, 2004. Second, EPA must review and approve of the State's EBP conditions in the form of pre-draft permit terms and conditions. These were originally sent to EPA on April 28, 2004. An informal approval was received from Ray Chalmers (EPA-RIII) in June 2004, however, Steve Shedd (EPA-RTP) still needed to review the calculations. The third and final step is to incorporate the terms and conditions into the International Paper Title V permit

The first draft of the EBP permit was sent to EPA on August 9, 2004. International Paper informed both EPA and DEQ that an assumption (the emissions from the washers was directly related to the amount of pulp going across the washers) they had made was in error and as a result, they were going to have collect more sources to achieve parity with the MACT. IP notified the DEQ and EPA of this change in the quantification method for the washers on November 8, 2004. International Paper resubmitted the side by side comparison on February 16, 2005. DEQ submitted the updated EBP package to EPA on February 18, 2005. On April 20, 2005, DEQ received a letter from EPA approving the EBP pre-draft terms and conditions.

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The Site-Wide Emission Cap regulation and permit were presented to the State Air Pollution Control Board in March 2005. The Board approved the regulation to go out for public comment. The regulation was noticed on March 20, 2005. On April 20, 2005, a public hearing was held in Franklin Virginia to accept comments on the Site Specific regulation and permit. The only comments received were in favor of the regulation. The board approved the regulation on June 22, 2005. After being published in the register the regulation became effective on September 7, 2005.

This permit incorporates comments received from EPA during the approval process of the pre-draft Equivalency By Permit terms and conditions. This permit was public noticed July 31, 2005 concurrently with EPA's 45-day review of the permit. No comments were received so the permit can be issued.

Appendix A

ENVIRONMENTAL PROTECTION AGENCY 40 CFR Part 63 [VA001–1001a; FRL–7648–4]

Approval of Section 112(I) Authority for Hazardous Air Pollutants; Equivalency by Permit Provisions; National Emission Standards for Hazardous Air Pollutants From the Pulp and Paper Industry; Commonwealth of Virginia

AGENCY: Environmental Protection

Agency (EPA).

ACTION: Direct final rule.

SUMMARY: The EPA is approving a request from the Commonwealth of Virginia's Department of Environmental Quality (DEQ) for authority to implement and enforce state permit terms and conditions in place of those of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for the Pulp and Paper Industry, with respect to the operations of International Paper Company's Franklin Mill, located in Franklin, Virginia, Thus, the EPA is hereby granting the Virginia DEQ the authority to implement and enforce alternative requirements in the form of Clean Air Act (CAA) Title V permit terms and conditions after EPA has approved the State's alternative requirements. The EPA is approving this request because it has found that the Virginia DEO has satisfied the requirements for approval set forth at 40 CFR part 63, subpart E, entitled, "Approval of State Programs and Delegation of Federal Authorities.' **DATES:** This rule is effective on June 14, 2004 without further notice, unless EPA receives adverse written comment by May 6, 2004. If EPA receives such comments, it will publish a timely withdrawal of the direct final rule in the Federal Register and inform the public that the rule will not take effect.

ADDRESSES: Submit your comments, identified by VA001–1001, by one of the following methods:

A. Federal eRulemaking Portal: http://www.regulations.gov. Follow the online instructions for submitting comments.

B. E-mail: Campbell.Dave@epa.gov.

C. Mail: David J. Campbell, Chief, Permits and Technical Assessment Branch, Mailcode 3AP11, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103.

D. Hand Delivery: At the previously-listed EPA Region III address. Such

deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. VA001-1001. EPA's policy is that all comments received will be included in the public docket without change, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through regulations.gov or email. The federal regulations.gov Web site is an "anonymous access" system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment directly to EPA without going through regulations.gov, your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD-ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or

Copies of all comments should also be sent to the Virginia Department of Environmental Quality. Copies of written comments should be sent to John M. Daniel, Jr., Director, Air Division, Virginia Department of Environmental Quality, P.O. Box 10009, Richmond, Virginia 23240. Copies of electronic comments should be sent to imdaniel@deq.state.va.us. Copies of the documents relevant to this action are available for public inspection during normal business hours at the Air Protection Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103; and the Virginia Department of Environmental Quality, 629 East Main Street, Richmond, Virginia 23219. FOR FURTHER INFORMATION CONTACT: Ray Chalmers, (215) 814-2061, or by e-mail at chalmers.ray@epa.gov.

SUPPLEMENTARY INFORMATION:

I. Background

Pursuant to section 112 of the Clean Air Act (CAA), the Environmental Protection Agency (EPA) promulgates NESHAP for various categories of air pollution sources. On April 15, 1998, EPA promulgated a NESHAP for the Pulp and Paper Industry, as codified at 40 CFR part 63, subpart S, §§ 63.440 through 63.459. (See, 63 FR 18504.) International Paper Company operates a pulp and paper mill called the Franklin Mill, located in Franklin, Virginia, which is subject to the requirements of this NESHAP.

Under section 112(1) of the CAA, EPA may approve State or local rules or programs to be implemented and enforced in place of certain otherwise applicable Federally promulgated CAA section 112 rules, emission standards, or requirements. EPA's approval of State and local rules or programs under section 112(l) is governed by regulations found at 40 CFR part 63, subpart E. (See, 65 FR 55810, dated September 14, 2000). Under the provisions of subpart E found at 40 CFR 63.94, a State or local air pollution control agency may seek approval, for affected sources permitted by the State or local agency under a CAA Title V permitting program developed pursuant to the EPA regulations found at 40 CFR part 70, of State or local CAA Title V permit terms and conditions to be implemented and enforced in lieu of specified existing and future Federal CAA section 112 rules, emissions standards, or requirements. This option is referred to as the equivalency by permit (EBP) option. To receive EPA approval using this option, the State or local agency must meet the requirements of 40 CFR 63.91 and 63.94.

Approval of alternative requirements under the EBP process comprises three steps. The first step is EPA granting "upfront approval" of a State's EBP program. (See, 40 CFR 63.94(a) and (b).) The second step is EPA review and approval of the State's proposed alternative CAA section 112 requirements in the form of pre-draft permit terms and conditions. (See, 40 CFR 63.94(c) and (d).) The third step is incorporation of the approved pre-draft permit terms and conditions into a specific CAA Title V permit and the CAA Title V permit issuance process itself. (See, 40 CFR 63.94(e).)

The first step, obtaining EPA's "upfront approval" of a State's EBP

program, enables EPA to ensure that: (1) A State meets the criteria at 40 CFR 63.91(d) for up-front approval common to all approval options; (2) a legal foundation exists for a State to replace the otherwise applicable Federal section 112 requirements with alternative, Federally enforceable requirements that will be reflected in final CAA Title V permit terms and conditions; and, (3) the specific source(s) and Federal emission standard(s) for which a State will be accepting delegation under the EBP program are clearly specified.

The second step, having EPA review and approve the State's alternative CAA section 112 requirements, provides EPA with an opportunity to ensure that the State's proposed pre-draft CAA Title V permit terms and conditions reflect all of the requirements of the otherwise applicable Federal requirements and are equivalent to those requirements. The approval criteria used by EPA are set forth at 40 CFR 63.94(d). If the EPA finds that the pre-draft CAA Title V permit terms and conditions submitted by the State meet the criteria of paragraph (d), EPA approves the State's alternative requirements (by approving the pre-draft permit terms and conditions) and notifies the State in writing of the approval.

The third step, requiring incorporation of the approved pre-draft permit terms and conditions into a specific CAA Title V permit and the CAA Title V permit issuance process itself, serves to make the requirements legally effective. EPA's final approval of the State's proposed alternative requirements that substitute for the Federal standard does not occur until the completion of step three.

On November 21, 2003 the Virginia DEQ requested delegation of authority to implement and enforce State CAA Title V permit terms and requirements for International Paper Company's Franklin Mill as an alternative to those of the NESHAP for the Pulp and Paper Industry found at 40 CFR part 63, subpart S. The Virginia DEQ states in its request that it intends for the submittal to fulfill only the requirements of step one of the EBP process, pertaining to obtaining "up-front approval" of its program. The Virginia DEQ explains that it will later fulfill steps two and three of the EBP process by submitting substitute CAA Title V operating permit terms and conditions for EPA review and approval, and then proceeding with the CAA Title V permit issuance process. The Virginia DEQ sought this

authority pursuant to the provisions of 40 CFR 63.94 and 63.91, and the Virginia DEQ submitted information addressing the requirements of those sections.

II. Analysis of State's Submittal

EPA has reviewed the Virginia DEQ's submittal and has concluded that the Virginia DEQ meets the requirements for "up-front approval" of its EBP program which are specified at 40 CFR 63.94(b) and 63.91(d). The requirements a State or local agency must meet can be summarized as follows: (1) Identify the source(s) for which the State seeks authority to implement and enforce alternative requirements; (2) request delegation (or have delegation) for any remaining sources required to be permitted by the State under 40 CFR part 70 that are in the same category as the source(s) for which it wishes to establish alternative requirements; (3) identify all existing and future CAA section 112 emission standards for which the State is seeking authority to implement and enforce alternative requirements; (4) demonstrate that the State has an approved CAA Title V operating permits program that permits the affected sources; and, (5) demonstrate that the State meets the general approval criteria set forth at 40 CFR 63.91(d).

EPA lists each requirement below and after each requirement explains its reasons for concluding that the Virginia DEQ meets the requirement:

A. Identify the Source(s) for Which the State Is Seeking Authority To Implement and Enforce Alternative Requirements

The Virginia DEO identified International Paper Company's Franklin Mill, a pulp and paper mill located in Franklin, Virginia, as the source for which it is seeking authority to implement and enforce alternative requirements. According to the Virginia DEQ, International Paper Company's Franklin Mill is one of four operating pulp and paper mills in Virginia subject to 40 CFR part 63, subpart S. The Virginia DEO reports that none of the other companies operating pulp and paper mills in Virginia have contacted the State regarding an interest in the EBP process.

B. Request or Have Delegation for Any Remaining Sources Required To Be Issued CAA Title V Permits by the State and That Are in the Same Category as the Source(s) for Which It Seeks To Establish Alternative Requirements

The Virginia DEQ is currently delegated the authority to implement and enforce the Federal requirements of 40 CFR part 63, subpart S for all pulp and paper mills. Subpart S applies to "the owner or operator of processes that produce pulp, paper, or paperboard; that are located at a plant site that is a major source. * * * *, (See, 40 CFR 63.440.) On January 26, 1999, EPA announced in the Federal Register that it had delegated to the Virginia DEQ the authority to implement and enforce EPA's NESHAP standards for all affected sources of hazardous air pollutants (HAPs), as defined in 40 CFR part 63, for all source categories which are located at major sources. (See, 64 FR 3938.) EPA also delegated to the Virginia DEO the authority to implement and enforce all future EPA NESHAP standards applicable to such sources, on the condition that the Virginia DEQ legally adopt such new standards with only approved wording changes and that the Virginia DEO provide notice to EPA of such adoption. The Virginia DEO subsequently adopted additional standards, and notified EPA that it had adopted these additional standards. The additional standards that the State adopted included 40 CFR part 63, subpart S.

C. Identify All Existing and Future Federal Section 112 Rules for Which the State Is Seeking Authority To Implement and Enforce Alternative Requirements

In its November 21, 2003 submittal, the Virginia DEQ requested only the authority to implement and enforce State permit requirements for International Paper Company's Franklin Mill as alternatives to the Federal requirements applicable to that Mill found at 40 CFR part 63, subpart S. The Virginia DEQ confirmed that there are no other existing and future Federal CAA section 112 rules for which the State is seeking authority to implement and enforce alternative requirements.

D. Demonstrate That the State Has an Approved CAA Title V Permits Program and That the Program Permits the Affected Source(s)

EPA granted final full approval to Virginia's CAA Title V operating permits program on December 4, 2001 (66 FR 62961), and under this approved program the Virginia DEQ has the authority to issue CAA Title V permits to all major stationary sources. In its November 21, 2003 submittal, the Virginia DEQ confirmed that International Paper Company's Franklin Mill is a CAA Title V source and that it is subject to the State's CAA Title V permits program. The Virginia DEQ noted the International Paper Company had submitted a CAA Title V permit application, and that the Virginia DEQ was reviewing this application.

E. Demonstrate That the State Meets the General Approval Criteria Found at 40 CFR Section 63.91(d)

The provisions of 40 CFR 63.91(d) specify that "Interim or final CAA Title V program approval will satisfy the criteria set forth in § 63.91(d), up-front approval criteria." As discussed in item D. above, EPA has fully approved Virginia's CAA Title V operating permits program.

F. Virginia's Voluntary Environmental Assessment Privilege Law

In 1995, Virginia adopted legislation that provides, subject to certain conditions, for an environmental assessment (audit) "privilege" for voluntary compliance evaluations performed by a regulated entity. The legislation further addresses the relative burden of proof for parties either asserting the privilege or seeking disclosure of documents for which the privilege is claimed. Virginia's legislation also provides, subject to certain conditions, for a penalty waiver for violations of environmental laws when a regulated entity discovers such violations pursuant to a voluntary compliance evaluation and voluntarily discloses such violations to the Commonwealth and takes prompt and appropriate measures to remedy the violations. Virginia's Voluntary Environmental Assessment Privilege Law, Va. Code Sec. 10.1-1198, provides a privilege that protects from disclosure documents and information about the content of those documents that are the product of a voluntary environmental assessment. The Privilege Law does not extend to documents or information: (1) That are generated or developed before the commencement of a voluntary environmental assessment; (2) that are prepared independently of the assessment process; (3) that demonstrate a clear, imminent and substantial danger to the public health or environment; or (4) that are required by law.

On January 12, 1997, the

Commonwealth of Virginia Office of the Attorney General provided a legal opinion that states that the Privilege law, Va. Code Sec. 10.1-1198, precludes granting a privilege to documents and information "required by law," including documents and information "required by Federal law to maintain program delegation, authorization or approval," since Virginia must "enforce Federally authorized environmental programs in a manner that is no less stringent than their Federal counterparts * * * '' The opinion concludes that "[r]egarding § 10.1–1198, therefore, documents or other information needed for civil or criminal enforcement under one of these programs could not be privileged because such documents and information are essential to pursuing enforcement in a manner required by Federal law to maintain program delegation, authorization or approval."

Virginia's Immunity law, Va. Code Sec. 10.1–1199, provides that "[t]o the extent consistent with requirements imposed by Federal law," any person making a voluntary disclosure of information to a state agency regarding a violation of an environmental statute, regulation, permit, or administrative order is granted immunity from administrative or civil penalty. The Attorney General's January 12, 1997 opinion states that the quoted language renders this statute inapplicable to enforcement of any Federally authorized programs, since "no immunity could be afforded from administrative, civil, or criminal penalties because granting such immunity would not be consistent with Federal law, which is one of the criteria for immunity."

Therefore, EPA has determined that Virginia's Privilege and Immunity statutes will not preclude the Commonwealth from enforcing its CAA Title V program consistent with the Federal requirements. In any event, because EPA has also determined that a state audit privilege and immunity law can affect only state enforcement and cannot have any impact on Federal enforcement authorities, EPA may at any time invoke its authority under the Clean Air Act, including, for example, sections 113, 167, 205, 211 or 213, to enforce the requirements or prohibitions of the state plan, independently of any state enforcement effort. In addition, citizen enforcement under section 304 of the Clean Air Act is likewise unaffected by this, or any, state audit privilege or immunity law.

III. Final Action

EPA is granting the Virginia DEQ "upfront" approval of an EBP program under which the Virginia DEQ may establish and enforce alternative State requirements for International Paper Company's Franklin Mill in lieu of those of the NESHAP for the Pulp and Paper Industry found at 40 CFR part 63, subpart S. The Virginia DEQ may only establish alternative requirements for the Franklin Mill which are equivalent to and at least as stringent as the otherwise applicable Federal requirements. (See, 40 CFR 63.94(d).) The VA DEQ must, in order to establish alternative requirements for the Franklin Mill under its EPA approved EBP program: (1) Submit to EPA for review pre-draft CAA Title V permit terms specifying alternative requirements which are at least as stringent as the otherwise applicable Federal requirements, (2) obtain EPA's written approval of the alternative predraft CAA Title V permit requirements, and (3) issue a CAA Title V permit for the Franklin Mill which contains the approved alternative requirements. (See, 40 CFR 63.94(c) and (e).) Until EPA has approved the alternative permit terms and conditions and the Virginia DEQ has issued a final CAA Title V permit incorporating them, International Paper Company's Franklin Mill will remain subject to the Federal NESHAP requirements found at 40 CFR part 63, subpart S.

EPA is publishing this rule without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comment. However, in the "Proposed Rules" section of today's Federal **Register**, EPA is publishing a separate document that will serve as the proposal to approve if adverse comments are filed. This rule will be effective on June 14, 2004 without further notice unless EPA receives adverse comment by May 6, 2004. If EPA receives adverse comment, EPA will publish a timely withdrawal in the Federal Register informing the public that the rule will not take effect. EPA will address all public comments in a subsequent final rule based on the proposed rule. EPA will not institute a second comment period on this action. Any parties interested in commenting must do so at this time.

IV. Statutory and Executive Order Reviews

A. General Requirements

Under Executive Order 12866 (58 FR 51735, October 4, 1993), this action is not a "significant regulatory action" and therefore is not subject to review by the Office of Management and Budget. For this reason, this action is also not subject to Executive Order 13211, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use" (66 FR 28355, May 22, 2001). This action merely approves state law as meeting Federal requirements and imposes no additional requirements beyond those imposed by state law. Accordingly, the Administrator certifies that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.). Because this rule approves pre-existing requirements under state law and does not impose any additional enforceable duty beyond that required by state law, it does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4). This rule also does not have tribal implications because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes, as specified by Executive Order 13175 (65 FR 67249, November 9, 2000). This action also does not have Federalism implications because it does not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132 (64 FR 43255, August 10, 1999). This action merely approves a state rule implementing a Federal standard, and does not alter the relationship or the distribution of power and responsibilities established in the Clean Air Act. This rule also is not subject to Executive Order 13045 "Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997), because it is not economically significant.

EPA's role in reviewing this submittal is to approve a State request for authority to establish State permit terms

and conditions to be implemented and enforced in lieu of specified existing and future Federal rules, emissions standards or requirements promulgated under CAA section 112, for those affected sources permitted by the State under a program meeting the requirements of CAA part 70, provided that the request meets the criteria of the CAA. In this context, in the absence of a prior existing requirement for a State to use voluntary consensus standards (VCS), EPA has no authority to disapprove a State's submission for failure to use VCS. It would thus be inconsistent with applicable law for EPA, in reviewing this submission, to use VCS in place of a State submission that otherwise satisfies the provisions of the CAA. Thus, the requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272) do not apply. This rule does not impose an information collection burden under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seg.).

B. Submission to Congress and the Comptroller General

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small **Business Regulatory Enforcement** Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. Section 804 exempts from section 801 the following types of rules: (1) Rules of particular applicability; (2) rules relating to agency management or personnel; and (3) rules of agency organization, procedure, or practice that do not substantially affect the rights or obligations of non-agency parties. 5 U.S.C. 804(3). EPA is not required to submit a rule report regarding today's action under section 801 because this is a rule of particular applicability establishing sourcespecific requirements for International Paper Company's Franklin Mill located in Franklin, Virginia.

C. Petitions for Judicial Review

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by June 14, 2004. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the

purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action granting the Virginia DEQ "up-front" approval of an EBP program under which the Virginia DEQ may establish and enforce alternative State requirements for International Paper Company's Franklin Mill in lieu of those of the NESHAP for the Pulp and Paper Industry found at 40 CFR part 63, subpart S may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 63

Environmental protection, Administrative practice and procedure, Air pollution control, Hazardous substances, Intergovernmental relations, Reporting and recordkeeping requirements.

Dated: April 6, 2004.

Thomas Voltaggio,

Acting Regional Administrator, Region III.

_ 40 CFR part 63 is amended as follows: **PART 63—[AMENDED]**

_ 1. The authority citation for part 63 continues to read as follows:

Authority: 42 U.S.C. 7401 et seq.

Subpart E—Approval of State Programs and Delegation of Federal Authorities

_ 2. Section 63.99 is amended by adding paragraph (a)(46)(iii) to read as follows:

§ 63.99 Delegated Federal authorities.

(a) * * * (46) Virginia

* * * * *

(iii) EPA has granted the Virginia Department of Environmental Quality (DEQ) "up-front" approval to implement an Equivalency by Permit (EBP) program under which the Virginia DEQ may establish and enforce alternative State requirements for International Paper Company's Franklin Mill in lieu of those of the National Emissions Standard for Hazardous Air Pollutants (NESHAP) for the Pulp and Paper Industry found at 40 CFR part 63, subpart S. The Virginia DEQ may only establish alternative requirements for the Franklin Mill which are equivalent to and at least as stringent as the

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otherwise applicable Federal requirements. The VA DEQ must, in order to establish alternative requirements for the Franklin Mill under its EPA approved EBP program: (1) Submit to EPA for review pre-draft Clean Air Act (CAA) Title V permit terms specifying alternative requirements which are at least as stringent as the otherwise applicable

Federal requirements, (2) obtain EPA's written approval of the alternative predraft CAA Title V permit requirements, and (3) issue a CAA Title V permit for the Franklin Mill which contains the approved alternative requirements. Until EPA has approved the alternative permit terms and conditions and the Virginia DEQ has issued a final CAA Title V permit incorporating them,

International Paper Company's Franklin Mill will remain subject to the Federal NESHAP requirements found at 40 CFR part 63, subpart S.

[FR Doc. 04–8581 Filed 4–14–04; 8:45 am] **BILLING CODE 6560–50–P**

Appendix B

International Paper Franklin Mill Environmental Innovation Proposal Equivalency By Permit Application Side-by-Side Comparison of Requirements and Draft Title V Operating Permit Conditions (Continued)

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
1.	§63.440(a) The provisions of this subpart apply to the owner or operator of processes that produce pulp, paper, or paperboard; that are located at a plant site that is a major source as defined in §63.2 of subpart A of this part; and that use the following processes and materials:	§63.440(a) The provisions of this subpart apply to the owner or operator of processes that produce pulp, paper, or paperboard; that are located at a plant site that is a major source as defined in §63.2 of subpart A of this part; and that use the following processes and materials:	The existing Title V permit (effective date: November 25, 2002 amended 5/04) contains conditions which require compliance with this section of the regulation (e.g., Draft Condition III.A.14). No additional permit condition is needed.
	 Kraft, soda, sulfite, or semi-chemical pulping processes using wood; or Mechanical pulping processes using wood; or Any process using secondary or non-wood fibers. 	 Kraft, soda, sulfite, or semi-chemical pulping processes using wood; or Mechanical pulping processes using wood; or Any process using secondary or non-wood fibers. 	
2.	\$63.440(b) The affected source to which the existing source provisions of this subpart apply is as follows: (1) For the processes specified in paragraph (a)(1) of this section, the affected source is the total of all HAP emission points in the pulping and bleaching systems	\$63.440(b) The affected source to which the existing source provisions of this subpart apply is as follows: (1) For the processes specified in paragraph (a)(1) of this section, the affected source is the total of all HAP emission points in the pulping, bleaching and black liquor oxidation systems	This section of the regulations is addressed in the draft permit conditions proposed below (Row 5).

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
3.	§63.440(d)(1) Each kraft pulping system shall achieve compliance with the pulping system provisions of §63.443 for the equipment listed in §63.443(a)(1)(ii) through (a)(1)(v) as expeditiously as practicable, but in no event later than April 17, 2006 and the owners and operators shall establish dates, update dates, and report the dates for the milestones specified in §63.455(b).	§63.440(d)(1) Each kraft pulping system shall achieve compliance with the pulping system provisions of §63.443 for the equipment listed in §63.443(a)(1)(ii) through (a)(1)(v) as expeditiously as practicable, but in no event later than April 17, 2006 and the owners and operators shall establish dates, update dates, and report the dates for the milestones specified in §63.455(b).	Added a new Title V permit condition: "Compliance with the conditions of this permit that address MACT I, Phase 2 (HVLC gas collection and destruction) requirements shall be achieved no later than April 17, 2007." Conditions - See Section III A.14, Section V.A.19 and Section VI.A.15.
		By letter dated February 20, 2003, International Paper requested a one-year extension of the Subpart S compliance date applicable to high volume, low concentration (HVLC) collection and treatment requirements. IP submitted all of the information outlined in 40 CFR 63.6(i)(6) more than 12 months prior to the compliance date of April 17, 2006 as required. On March 27, 2003 the Virginia DEQ granted an extension for compliance with the Subpart S requirements for HVLC systems at the Franklin Mill to April 17, 2007	
4.	§63.440(g) Each owner or operator of an affected source specified in paragraphs (a) through (c) of this section must comply with the requirements of Subpart A – General Provisions of this part, as indicated in Table 1 to this subpart.	§63.440(g) Each owner or operator of an affected source specified in paragraphs (a) through (c) of this section must comply with the requirements of Subpart A – General Provisions of this part, as indicated in Table 1 to this subpart.	Added a new Title V permit condition: "Except where this permit is more restrictive than the applicable requirement, the NESHAP equipment as described in Section II shall be operated in compliance with the requirements of 40 CFR Part 63, Subpart S." Conditions - See Section III A.14, Section V.A.19 and Section VI.A.15

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
5.	\$63.443(a)(1) The owner or operator of each pulping system using the Kraft process subject to the requirements of this subpart shall control the total HAP emissions from the following equipment systems, as specified in paragraphs (c) and (d) of this section. (i) Each LVHC system (ii) Each knotter or screen system with total HAP mass emission rates greater than or equal to the rates specified in \$63.443(a)(1)(ii)(A) or (a)(1)(ii)(B) or the combined rate specified in \$63.443 (a)(1)(ii)(C) (iii) Each pulp washing system (iv) Each decker system that: - Uses any process water other than fresh water or paper machine white water; or - Uses any process water with a total HAP concentration greater than 400 parts per million by weight (v) Each oxygen delignification system.	Sea.443(a)(1) The owner or operator of each pulping system using the Kraft process subject to the requirements of this subpart shall control the total HAP emissions from the following equipment systems, as specified in paragraphs (c) and (d) of this section. (ii) Each LVHC system	Added new conditions to the existing Title V permit that describe which systems will be included in the alternative MACT 1 Phase 2 approach: In Title V Permit Section III: "To comply with 40 CFR 63.443 (a)(1) the facility shall control the HAP emissions from the following equipment systems: a. Each LVHC system. b. Each knotter or screen system with total HAP mass emission rates greater than or equal to the rates specified in §63.443(a)(1)(ii)(A) or (a)(1)(ii)(B) or the combined rate specified in §63.443 (a)(1)(ii)(C). Note: (1) emissions from the mill's knotter and screen systems are not required to be collected and controlled. These systems have been found to have HAP concentrations below the thresholds specified in §63.443(a)(1)(ii) (2) emissions from the E-decker are not required to be controlled since the methanol content of the shower water used on this system was found to be less than the threshold specified in §63.443(a)(1)(iv)(B). c. D-Wash Line Washer and Accepts Tank d. B-Decker and Filtrate Tank e. No. 1 High Density Storage Tank" See condition III.A.6 In Title V Permit Section V: "To comply with 40 CFR 63.443 (a)(1) the facility shall control the HAP emissions from the following equipment systems: a. Each LVHC system. b. Nos. 1-4 BLOX Tank Vents. "See condition V.A.11

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
5.			In Title V Permit Section VI:
(cont'd)			"To comply with 40 CFR 63.443 (a)(1) the facility shall control the HAP emissions from the following equipment systems:
			a. E-Bleach Line O2–1 Washers and Filtrate Tank.
			b. E-Bleach Line O2–2 Washers and Filtrate Tank.
			c. E-Bleach Line East and West Twin Roll Press.
			d. E-Bleach Line O2 System Blow Tank, Blend Chest, and Pressate Level Tank." See condition VI. A.8.
			Also included notes in the Title V permit that describe which systems will not be included in the alternative MACT I, Phase 2 compliance approach:
			"Note that emissions from the following systems will not be collected and controlled under International Paper's alternative 40 CFR 63.443 compliance approach: (1) A & B Washer system (2) C Washer system (3) D-Wash Line seal tank (4) Vertical foam tank (5) Knotters and Screens (6) E-Bleach Line oxygen delignification system, O2 reactor purge vent and pressate hold tank (7) F-Bleach Line"
			See Facility Description Section under Facility Information

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
5. (cont'd)			Added new conditions to the existing Title V permit requiring that the DEQ must be notified of any changes to the existing sources of shower water on the base case systems that will not be collected and controlled under the alternative compliance approach:
			In Title V permit Section III: "The permittee shall furnish written notification to the Tidewater Regional Office of any changes to the sources of shower water to the lines listed in a-e below. Current sources are as follows:
			a. A & B Washer systems – D-Decker filtrate, except as noted in b.
			b. D-Decker system – F-Bleach Line pre-O ₂ press filtrate c. C-Washer system – E-Decker filtrate, except as listed in d. d. E-Decker system – either stripped condensate, paper machine white water or hot fresh water, e. C Wash Line Knotters and Screens – E-Filtrate Tank f. D-Wash Line Knotters and Screens – D-Washer Seal (filtrate) Tank' In addition, IP shall notify the DEQ when any changes occur at the facility (e.g., operational or process changes, aging equipment, operating scenario changes, etc.) that could potentially increase the amount of HAP in the filtrate waters above the 400 ppm HAP (methanol) threshold.
			See condition III.C.3. In Title V permit Section VI: "The permittee shall furnish written notification to the Tidewater Regional Office of any changes to the source of shower water for the F-Bleach Line. The current sources of shower water are either hot fresh

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
5. (cont'd)		•	water or F-Bleach Line Z stage filtrate. In addition, IP shall notify the DEQ when any changes occur at the facility (e.g., operational or process changes, aging equipment, operating scenario changes, etc.) that could potentially increase the amount of HAP in the process waters for the deckers above the 400 ppm HAP (methanol) threshold. See condition VI.C.3.
6.	§63.443(c) Equipment systems listed in paragraphs (a) of this section shall be enclosed and vented into a closed-vent system and routed to a control device that meets the requirements specified in paragraph (d) of this section. The enclosures and closed-vent system shall meet the requirements specified in §63.450.	§63.443(c) Equipment systems listed in paragraphs (a) of this section shall be enclosed and vented into a closed-vent system and routed to a control device that meets the requirements specified in paragraph (d) of this section. The enclosures and closed-vent system shall meet the requirements specified in §63.450.	Added new conditions to the existing Title V permit addressing how the collected HVLC gases are to be controlled: In Title V permit Section III: "The HVLC gases from D-Wash Line Washer and Accepts Tank, the B-Decker and Filtrate Tank, and the No. 1 High Density Storage Tank shall be collected by a closed vent system and routed to the Regenerative Thermal Oxidizer for destruction." See condition III.A.7. In Title V permit Section V: "The HVLC gases from the Nos. 1-4 BLOX Tank Vents shall be collected by a closed vent system and routed to the Regenerative Thermal Oxidizer for destruction." See condition V.A.12. In Title V permit Section VI: "The HVLC gases from the E-Bleach Line O2–1 Washers and Filtrate Tank, the E-Bleach Line O2–2 Washers and Filtrate Tank, the E-Bleach Line D2–2 System Blow Tank, Blend Chest, and Pressate Level Tank Vents shall be collected by a closed vent system and routed to the Regenerative Thermal Oxidizer for destruction."

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
			See condition VI.A.9.
7.	 §63.443(d) The control device used to reduce total HAP emissions from each equipment system listed in paragraphs (a) of this section shall: (i) Reduce total HAP emissions by 98 percent or more by weight; or (ii) Reduce the total HAP concentration at the outlet of the thermal oxidizer to 20 parts per million or less by volume, corrected to 10 percent oxygen on a dry basis; or (iii) Reduce total HAP emissions using a thermal oxidizer designed and operated at a minimum temperature of 871°C (1600°F) and a minimum residence time of 0.75 seconds; or (iv) Reduce total HAP emission using a boiler, lime kiln, or recovery furnace by introducing the HAP emission stream with the primary fuel or into the flame zone. 	\$63.443(d) The control device used to reduce total HAP emissions from each equipment system listed in paragraphs (a) of this section shall: (i) Reduce total HAP emissions by 98 percent or more by weight; or (ii) Reduce the total HAP concentration at the outlet of the thermal oxidizer to 20 parts per million or less by volume, corrected to 10 percent oxygen on a dry basis; or (iii) Reduce total HAP emissions using a thermal oxidizer designed and operated at a minimum temperature of 871°C (1600°F) and a minimum residence time of 0.75 seconds; or (iv) Reduce total HAP emission using a boiler, lime kiln, or recovery furnace by introducing the HAP emission stream with the primary fuel or into the flame zone.	Added new Title V conditions addressing control device performance requirements: "The Regenerative Thermal Oxidizer used to reduce total HAP emissions shall Be designed and operated at a minimum temperature of 871°C (1600°F) and a minimum residence time of 0.75 seconds." See conditions III.A.8, V.A.13, VI.A.10.

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
8.	Periods of excess emissions reported under §63.445 shall not be a violation of §63.443(c) and (d) provided that the time of excess emissions (excluding periods of startup, shutdown, or malfunction) divided by the total process operating time in a semi-annual reporting period does not exceed the following levels: (1) One percent for the control devices used to reduce the total HAP emissions from the LVHC system; and (2) Four percent for control devices used to reduce the total HAP emissions from the HVLC system; and (3) Four percent for the control devices used to reduce the total HAP emissions from both the LVHC and HVLC systems.	Se3.443(e) Periods of excess emissions reported under §63.455 shall not be a violation of §63.443(c) and (d) provided that the time of excess emissions (excluding periods of startup, shutdown, or malfunction) divided by the total process operating time in a semi-annual reporting period does not exceed the following levels: (1) One percent for the control devices used to reduce the total HAP emissions from the LVHC system; and (2) Four percent for control devices used to reduce the total HAP emissions from the HVLC system; and (3) Four percent for the control devices used to reduce the total HAP emissions from both the LVHC and HVLC systems.	Added new conditions to the existing Title V permit to address the downtime allowance for the HVLC control device: See conditions III.A.15, V.A.21, VI.A.16 In Title V permit Section III: "Periods of excess emissions from the LVHC and HVLC systems shall not be considered a violation as long as they do not exceed 4% of the total process operating time for the semi-annual reporting period." In Title V permit Section V: "Periods of excess emissions from the LVHC and HVLC systems shall not be considered a violation as long as they do not exceed 4% of the total process operating time for the semi-annual reporting period." In Title V permit Section VI: "Periods of excess emissions from the HVLC systems shall not be considered a violation as long as they do not exceed 4% of the total process operating time for the semi-annual reporting period."

10. 863.446(c) One of the following combinations of HAP-containing pulping process condensates generated, produced, or associated with the equipment systems listed in paragraph (b) of this section shall be subject to the requirements of paragraphs (d) and (e) of this section: (2) The combined pulping process condensates from the equipment systems specified in paragraphs (b)(4) and (b)(5) of this section, plus pulping process condensate stream(s) that in total contain at least 65 percent of the total HAP mass from the pulping process condensates from equipment systems listed in paragraphs (b)(1) through (b)(3) of this section. (2) The combined pulping process condensates from the equipment systems specified in paragraphs (b)(1) through (b)(3) of this section. (2) The combined pulping process condensates from the equipment systems specified in paragraphs (b)(4) and (b)(5) of this section, plus pulping process condensates from the pulping process condensa	Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
	10.	S63.446(c) One of the following combinations of HAP- containing pulping process condensates generated, produced, or associated with the equipment systems listed in paragraph (b) of this section shall be subject to the requirements of paragraphs (d) and (e) of this section: (2) The combined pulping process condensates from the equipment systems specified in paragraphs (b)(4) and (b)(5) of this section, plus pulping process condensate stream(s) that in total contain at least 65 percent of the total HAP mass from the pulping process condensates from equipment systems listed in paragraphs (b)(1)	§63.446(c) One of the following combinations of HAP- containing pulping process condensates generated, produced, or associated with the equipment systems listed in paragraph (b) of this section shall be subject to the requirements of paragraphs (d) and (e) of this section: (2) The combined pulping process condensates from the equipment systems specified in paragraphs (b)(4) and (b)(5) of this section, plus pulping process condensate stream(s) that in total contain at least 65 percent of the total HAP mass from the pulping process condensates from equipment systems listed in paragraphs (b)(1) through (b)(3) of	"The pulping process condensates collected from the equipment listed in condition A.6. above must contain at least 65% of the total HAP mass (as methanol) from the digester system, the turpentine system, and evaporator systems and all of the condensates from the LVHC and HVLC collection systems, expressed as a 15-day rolling average." Modify existing Title V Condition V.A.15 to read: "The pulping process condensates collected from the equipment listed in condition V.A.14 above must contain at least 65% of the total HAP mass (as methanol) from the digester system, the turpentine system, the evaporator systems and all of the condensates from the LVHC and HVLC collection systems, expressed as a 15-day rolling average." Added a new condition to Section VI of the Title V permit addressing condensate collection requirements for the Bleach Plant: "Process condensates shall be collected from each HVLC collection system listed in A.8. above, expressed as a 15-day rolling average."

Row 40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
The pulping process condensates from the equipment systems listed in paragraph (b) of this section shall be conveyed in a closed collection system that is designed and operated to meet the requirements specified in paragraphs (d)(1) and (d)(2) of this section.	\$63.446(d) The pulping process condensates from the equipment systems listed in paragraph (b) of this section shall be conveyed in a closed collection system that is designed and operated to meet the requirements specified in paragraphs (d)(1) and (d)(2) of this section.	Sections III and V of the existing Title V permit contain conditions which require compliance with this section of the regulation for the Unbleached Pulp and Chemical Recovery Process Areas (e.g., Conditions III.A.11 & 12 and Conditions V.A.16 & 17). Added new conditions to Section VI of the Title V permit addressing design and operating requirements of the condensate collection system: See Conditions VI.A.12 and 13. "The HVLC collection system condensates shall be conveyed in a closed collection system which meets the individual drain system requirements specified in 63.960, 63.961, and 63.962 of 40 CFR Part 63, Subpart RR, except for closed vent systems and control devices shall be designed and operated in accordance with 63.443(d) and 63.450, instead of in accordance with 63.693 as specified in 63.962(a)(3)(ii), (b)(3)(ii)(A), and (b)(5)(iii)." "The condensate collection tank shall have a fixed roof and all openings shall be designed and operated with no detectable leaks as indicated by an instrument reading of <500 ppm VOC (Method 21) above background and vented into a closed-vent system meeting the requirements of 63.450 and routed to a control device that meets the requirements of 63.443(d). Each opening shall be maintained in a closed, sealed position at all times that the tank contains pulping condensates or HAPs except when it is necessary to use the opening for sampling, removal, or for equipment inspection, maintenance, or repair."

Row	40 CFR 63 Subpart S	Innovation Proposal Equivalency By Permit	Draft Title V Operating Permit Condition
	(MACT I, Phase 2) Requirements	Requirement	•
12.	§63.446(e) Each pulping process condensate from the equipment systems listed in paragraph (b) of this section shall be treated according to one of the following options:	<u>\$63.446(e)</u> Each pulping process condensate from the equipment systems listed in paragraph (b) of this section shall be treated according to one of the following options:	The existing Title V permit contains conditions which require compliance with this section of the regulation. See conditions III.A.13, V.A.18, VI.A.14.
	(3) Treat the pulping process condensates to reduce or destroy the total HAPs by at least 92 percent or more by weight;	(3) Treat the pulping process condensates to reduce or destroy the total HAPs by at least 92 percent or more by weight;	
	(5) At mills that perform bleaching, treat the pulping process condensates to remove 5.1 kilograms or more to total HAP per megagram (10.2 pounds per ton) of ODP, or achieve a total HAP concentration of 330 parts per million or less by weight at the outlet of the control device	(5) At mills that perform bleaching, treat the pulping process condensates to remove 5.1 kilograms or more to total HAP per megagram (10.2 pounds per ton) of ODP, or achieve a total HAP concentration of 330 parts per million or less by weight at the outlet of the control device	
13.	Each enclosure and closed vent system used for capturing and transporting vent streams that contain HAP shall: - maintain negative pressure at each enclosure or hood opening. Each enclosure or hood opening closed during the initial performance test shall be maintained in the same closed and sealed position as during the performance test at all times except when necessary for sampling, inspection, maintenance, or repairs - each component of the closed vent system that is operated at positive pressure and located prior to a control device shall be designed for and operated with no detectable leaks - each bypass line in the closed vent system that could divert vent streams containing HAP to the atmosphere without meeting the emission limitations	Each enclosure and closed vent system used for capturing and transporting vent streams that contain HAP shall: - maintain negative pressure at each enclosure or hood opening. Each enclosure or hood opening closed during the initial performance test shall be maintained in the same closed and sealed position as during the performance test at all times except when necessary for sampling, inspection, maintenance, or repairs - each component of the closed vent system that is operated at positive pressure and located prior to a control device shall be designed for and operated with no detectable leaks - each bypass line in the closed vent system that could divert vent streams containing HAP to the atmosphere without meeting the emission limitations in §63.443 shall comply with either of the following:	The existing Title V permit contains conditions which require compliance with this section of the regulation. See Conditions III.B.1, III.B.4, III.B.5, III.B.6, V.B.4, V.B.5, V.B.6, V.B.10, and VI.B.5, VI.B.6, VI.B.7.

International Paper Franklin Mill Environmental Innovation Proposal Equivalency By Permit Application Side-by-Side Comparison of Requirements and Draft Title V Operating Permit Conditions (Continued)

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
(cont'd)	the following: monitor for the presence of flow in the bypass line, or maintain non-computer controlled bypass line valves in the closed position with a seal on the valve or closure mechanism	 bypass line, or maintain non-computer controlled bypass line valves in the closed position with a seal on the valve or closure mechanism 	

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
14a.	§63.453(b) – A CMS shall be operated to measure the temperature in the firebox or in the ductwork immediately downstream of the firebox and before any substantial heat exchange occurs for each thermal oxidizer used to comply with63.44(d)(3)	§63.453(b) – A CMS shall be operated to measure the temperature in the firebox or in the ductwork immediately downstream of the firebox and before any substantial heat exchange occurs for each thermal oxidizer used to comply with63.44(d)(3)	§63.453(b) Added a condition to the Title V permit requiring a CMS for temperature monitoring of the RTO. See conditions III.B.8., V.B.11., VI.B.8.
	 §63.453(c) A CMS shall be operated to measure the following parameters for each gas scrubber used to comply with the bleaching system requirements of §63.445(c) or the sulfite pulping system requirements of §63.444(c). (1) The pH or the oxidation/reduction potential of the gas scrubber effluent; (2) The gas scrubber vent gas inlet flow rate; and (3) The gas scrubber liquid influent flow rate. 	 §63.453(c) A CMS shall be operated to measure the following parameters for each gas scrubber used to comply with the bleaching system requirements of §63.445(c) or the sulfite pulping system requirements of §63.444(c). (1) The pH or the oxidation/reduction potential of the gas scrubber effluent; (2) The gas scrubber vent gas inlet flow rate; and (3) The gas scrubber liquid influent flow rate. 	§63.453(c) Section VI of the existing Title V permit contains conditions which require compliance with this section of the regulation for the Bleach Plant Process (i.e., Conditions VI.B.1, VI.B.2, and VI.B.3). No new permit conditions are needed for these process areas.
14b.	\$63.453(d) — Not applicable \$63.453(e) — Not applicable \$63.453(f) — Not applicable \$63.453(g) A CMS shall be operated to measure the following parameters for each steam stripper used to comply with the treatment requirements in \$63.446(e) (3), (4), or (5): (1) The process wastewater feed rate; (2) The steam feed rate; and (3) The process wastewater column feed temperature. \$63.453(h) — Not applicable \$63.453(i) — This does not apply to the HVLC portion of 63.446(c). This does apply to the 65%	 §63.453(g) A CMS shall be operated to measure the following parameters for each steam stripper used to comply with the treatment requirements in §63.446(e) (3), (4), or (5): (1) The process wastewater feed rate; (2) The steam feed rate; and (3) The process wastewater column feed temperature. 	§63.453(g) Section V of the existing Title V permit contains conditions which require compliance with this section of the regulation for the Chemical Recovery Process Area (i.e., Conditions V.B.7, V.B.8, V.B.9, and V.B.11). No new permit conditions are needed for these process areas.
14c.	collection of LVHC streams. §63.453(j) – Not applicable	§63.453(k)	§63.453(k)

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
	Each enclosure and closed vent system used to comply with §63.450 shall: (1) For each enclosure opening, a visual inspection of the closure mechanism shall be performed at least once every 30 days to ensure the opening is maintained in the closed position (2) Ductwork, piping, enclosures and connections to covers shall be visually inspected every 30 days for evidence of defects (3) Demonstrate initially and annually that positive pressure systems have no detectable leaks (4) Demonstrate initially and annually that each enclosure opening is maintained at negative pressure (5) Inspect bypass valves or closure mechanisms at least once every 30 days to ensure that the valve is maintained in the closed position and that emission point gas stream is not diverted through the bypass line (6) Take corrective action as soon as practicable if inspections identify a visible defect, a detectable leak, or an enclosure opening not maintained at negative pressure	Each enclosure and closed vent system used to comply with §63.450 shall: (1) For each enclosure opening, a visual inspection of the closure mechanism shall be performed at least once every 30 days to ensure the opening is maintained in the closed position (2) Ductwork, piping, enclosures and connections to covers shall be visually inspected every 30 days for evidence of defects (3) Demonstrate initially and annually that positive pressure systems have no detectable leaks (4) Demonstrate initially and annually that each enclosure opening is maintained at negative pressure (5) Inspect bypass valves or closure mechanisms at least once every 30 days to ensure that the valve is maintained in the closed position and that emission point gas stream is not diverted through the bypass line (6) Take corrective action as soon as practicable if inspections identify a visible defect, a detectable leak, or an enclosure opening not maintained at negative pressure	Sections III and V of the existing Title V permit contain conditions which require compliance with this section of the regulation for the Unbleached Pulp Mill Process Area (i.e., Conditions III.B.4, III.B.5, and III.B.6) and the Chemical Recovery Process Area (i.e., Conditions V.B.4, V.B.5, and V.B.6). No new permit conditions are needed for these process areas. New permit conditions are added in Section VI to completely describe the vent system inspection requirements for the Bleach Plant Process Area: See conditions VI.B.5, VI.B.6, VI.B.7. "Each enclosure and closed vent system used to comply with Subpart S shall have a visual inspection conducted once during each calendar month, with at least 21 days elapsed time between inspections, to ensure each opening is maintained in the closed position and sealed. The permittee shall prepare and maintain a site-specific inspection plan including a drawing or schematic of the components of applicable affected equipment. The inspection shall include the ductwork, piping, enclosures, and connections to covers for visible evidence of defects. An inspection log shall be kept containing the information specified in 63.454(b)." "Each enclosure and closed-vent system shall demonstrate initially and annually that each enclosure opening is maintained at negative pressure as specified in 63.457(e) of 40 CFR Part 63, Subpart S." "Each positive pressure closed-vent system shall demonstrate no detectable leaks as specified in 63.450(c) of 40 CFR Part 63, Subpart S measured initially and annually by procedures in 63.457(d) of 40 CFR Part 63, Subpart S."

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
15.	\$63.454(a) The owner or operator of each affected source subject to the requirements of this subpart shall comply with the recordkeeping requirements of \$63.10 of Subpart A of this part, as shown in table 1 of this subpart, and the requirements specified in paragraphs (b) through (f) of this section for the monitoring parameters specified in \$63.453.	\$63.454(a) The owner or operator of each affected source subject to the requirements of this subpart shall comply with the recordkeeping requirements of \$63.10 of Subpart A of this part, as shown in table 1 of this subpart, and the requirements specified in paragraphs (b) through (f) of this section for the monitoring parameters specified in \$63.453.	Modify existing Title V Condition III.C.1.g. to read: "Monthly visual observation logs of the LVHC, HVLC, and the condensate closed collection systems containing the information specified in 63.454(b)." Modify existing Title V Condition V.C.1.k. to read: "Monthly visual observation logs of the LVHC and HVLC closed vent collection systems containing the information specified in 63.454(b)." Modify existing Title V Condition VI.C.1.c. to read:
			"Monthly visual observation logs of the bleach plant and HVLC closed vent collection systems containing the information specified in 63.454(b)."
16.	§63.454(b) For each applicable enclosure opening, closed-vent system, and closed collection system, the owner or operator shall prepare and maintain a site specific inspection plan including a drawing or schematic of the components of applicable affected equipment and shall record the elements listed in §63.454(b)(1) through (b)(12) for each inspection.	§63.454(b) For each applicable enclosure opening, closed-vent system, and closed collection system, the owner or operator shall prepare and maintain a site specific inspection plan including a drawing or schematic of the components of applicable affected equipment and shall record the elements listed in §63.454(b)(1) through (b)(12) for each inspection.	Sections III and V of the existing Title V permit contain conditions which address inspection details for enclosures and closed vent systems used to comply with these requirements for sources in the Unbleached Pulp Mill and Chemical Recovery Process Areas (i.e., Conditions III.B.4 and V.B.4). Conditions were modified to include inspection log specific requirements as specified in 63.454(b) and an extra sentence as follows: The permittee shall prepare and maintain a site-specific inspection plan including a drawing or schematic of the components of applicable affected equipment. Added a permit condition to the the Bleach Plant Process Area for Section VI of Title V permit. See condition VI.B.5.

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
17.	§63.455(a) Each owner or operator of a source subject to this subpart shall comply with the reporting requirements of Subpart A of this part as specified in table 1 of Subpart S (i.e., §63.10(d) through §63.10(f), except §63.10(d)(3), §63.10(e)(2)((ii), and §63.10(e)(4))	\$63.455(a) Each owner or operator of a source subject to this subpart shall comply with the reporting requirements of Subpart A of this part as specified in table 1 of Subpart S (i.e., \$63.10(d) through \$63.10(f), except \$63.10(d)(3), \$63.10(e)(2)((ii), and \$63.10(e)(4))	Modify the introductory section to the existing Title V Condition III.C.2 to read: "The permittee shall submit excess emission and continuous monitoring system reports for the TRS collection system, the LVHC system, the HVLC system, and the condensate collection system to the Director, Tidewater Regional Office, within 30 days after the end of each semi-annual period. Each semi-annual report shall include the following:" Modify existing Title V Condition V.C.3 to read: "The permittee shall submit excess emissions and continuous monitoring system reports (for the condensate collection system and the LVHC and HVLC closed-vent collection systems) as described in Condition III.C.2." Modify existing Title V Condition VI.C.2 to read: "The permittee shall submit excess emissions and continuous monitoring system reports (for the bleach plant scrubber parameters and the HVLC closed-vent collection system) as described in Condition III.C.2."
18.	§63.455(b) Each owner or operator of a kraft pulping system specified in 63.440(d)(1) shall submit, initially and update every two years thereafter, a non-binding control strategy report containing the information specified in paragraphs (b)(1) through (b)(3) of this section.	§63.455(b) Each owner or operator of a kraft pulping system specified in 63.440(d)(1) shall submit, initially and update every two years thereafter, a non-binding control strategy report containing the information specified in paragraphs (b)(1) through (b)(3) of this section.	No new permit condition is needed for this section of the regulation. An initial control strategy report was submitted to the DEQ on April 10, 2001. An updated control strategy report was submitted on April 11, 2003. International Paper will submit the next updated report as required in April, 2005. The compliance obligations under this section of the regulation will expire on the compliance date for the MACT I, Phase 2 requirements.

Row	40 CFR 63 Subpart S (MACT I, Phase 2) Requirements	Innovation Proposal Equivalency By Permit Requirement	Draft Title V Operating Permit Condition
19.	§63.457(a) Initial Performance Test. An initial performance test is required for all emission sources subject to the limitations in §63.443, except those controlled by a combustion device that is designed and operated as specified in §63.443(d)(3) or (d)(4).	§63.457(a) Initial Performance Test. An initial performance test is required for all emission sources subject to the limitations in §63.443, except those controlled by a combustion device that is designed and operated as specified in §63.443(d)(3) or (d)(4).	International Paper will comply with the HAP control device design and operating requirements of §63.443(d)(3) (i.e., designing and operating the RTO at a minimum temperature of 1600°F and a minimum residence time of 0.75 seconds). See conditions III.A.8., B.8., C.1.h., V.A.13., V.B.11., V.C.1.l., VI.A.10., VI.B.8., VI.C.1.d.
20.	§63.457(f) HAP Concentration Measurements. For purposes of complying with the requirements of §§63.443, the owner or operator shall measure the total HAP concentration as one of the following: (a) As the sum of all individual HAPs (b) As methanol	§63.457(f) HAP Concentration Measurements. For purposes of complying with the requirements of §§63.443, 63.444, and 63.447, the owner or operator shall measure the total HAP concentration as one of the following: (a) As the sum of all individual HAPs (b) As methanol	No new permit condition would be needed for this section of the regulation because IP has chosen to comply with §63.443(d)(3). Per §63.457(a), sources choosing this compliance alternative are not required to carry out performance tests, and are thus not required to measure total HAP concentration.